February 25, 2002

Ex Parte

William Caton
Acting Secretary
Federal Communications Commission
445 12th St., S.W. – Portals
Washington, DC 20554

<p style="text-align:center;">RE: <u>Application by Verizon-New Jersey Inc. for Authorization To Provide In-Region,</u>
<u>InterLATA Services in State of New Jersey, Docket No. 01-347</u> - **REDACTED**</p>

Dear Mr. Caton:

Per the request of the CCB staff, Verizon is providing the enclosed response to claims raised by MetTel regarding Verizon's OSS sytems. The entirety of the attachments is proprietary and have been redacted. A confidential version is also being filed with the attachments. Please let me know if you have any questions. The twenty-page limit does not apply as set forth in DA 01-2746.

Sincerely,

Clint E. Odom

Attachments

cc: A. Johns
      S. Pie
      J. Miller
      B. Olson

Response to MetTel ExParte Attachment Index

A. Order Confirmation and Reject Timeliness Weighted Average Chart
- Order Confirmation and Reject Timeliness Weighted Average - Backup

B. MetTel Order Activity and Type of Service Analysis

C. SOP to BCN (NJ OR-4-09) Timeliness

D. SOP to BCN Run Chart - Time to Reach 95%
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E. MetTel's No Usage Trouble Ticket Analysis - NY
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H. January PON Analysis

I. VERIZON'S OSS IN BOTH NEW JERSEY AND PENNSYLVANIA PROVIDE EFFICIENT ORDER PROCESSING THAT ENABLES CLECs TO COMPETE

A. LSC/Reject Timeliness

1. MetTel's assertion that New Jersey Confirmation and Reject response times are "operationally non-viable" (MetTel Ex Parte, Slide 3) is at odds with the findings of this Commission and those of each of the respective state commissions for every previous Verizon Section 271 application that has been approved.

2. In both New Jersey and in Pennsylvania, Verizon has met the 95% benchmark for returning LSCs and reject notices to MetTel for each category of resale and UNE-P orders, and the average times are well within the established standards in both states. Moreover, Verizon's performance for MetTel is comparable to its performance for all CLECs in the aggregate for resale and UNE-P orders in New Jersey and in Pennsylvania. Attachment A provides results for Carrier-to-Carrier Order Confirmation and Reject Timeliness measures for CLEC-aggregate and MetTel-specific performance for both New Jersey and Pennsylvania for June through October 2001. Attachment A also shows the weighted average response times for each month that result from combing all categories.

3. MetTel ignores basic statistical concepts in constructing its "Chart 1: Comparison of Responses (LSRC/Reject) Between New Jersey and Pennsylvania" analysis. (MetTel Ex Parte, Slide 4.) As can be seen in the Carrier-to-Carrier results in Attachment A, the New Jersey BPU and the Pennsylvania PUC have established four different intervals of timeliness for LSRC and Reject notices based on the type of order and processing required. These intervals range from 2 hours to 96 hours. Although MetTel does not explain its methodology, it appears that MetTel has disregarded these different intervals and averaged times across all order categories. Depending on the number of orders within the different interval categories (within a month and state), both the average and standard deviation will be skewed. As Verizon's analysis shows, the difference MetTel has calculated is simply a function of a higher proportion of orders falling within the 2 hour interval in Pennsylvania than in New Jersey. Because there is a higher proportion of MetTel's orders that fall within a 2-hour interval in Pennsylvania, the overall average response time there is shorter. This in no way alters the fact that Verizon returns LSCs and rejects in a timely manner for all resale and UNE-P order categories in both states.

4. The distribution of MetTel orders into different LSRC/Reject timeliness interval categories between Pennsylvania and New Jersey reflects differences in MetTel's order mix between the states. Verizon reviewed data for MetTel's platform orders for June 2001 through October 2001. In Pennsylvania for each month during this time period, over ******** of MetTel's orders were changes to an existing account. These tended to be SNPs (suspensions for non-payment) and feature changes, which are relatively simple and generally flow through. Flow-through orders are subject to the 2-hour LSRC/Reject timeliness interval. In New Jersey during the same period, between ******** of MetTel's orders in each month were new accounts or migrations, and the majority of these were for business accounts. In general, a high proportion of these orders are complex orders that do not flow through and are therefore subject to a 24-hour interval. During this time, there also were MetTel orders that fell within the 48-hour interval and the 72-hour interval. Attachment B provides a breakdown of MetTel's order types in New Jersey and in Pennsylvania for June through October 2001.

5. In conclusion, contrary to MetTel's claim that the response times in New Jersey are "operationally non-viable," response times in New Jersey and Pennsylvania are similar for the same types of orders, and response times for MetTel in both states are similar to the CLEC aggregate response times for the same types of orders. *See* Attachment A. The Commission has already found that these response times provide nondiscriminatory access to Verizon's OSS in New York, Massachusetts, Connecticut, and Pennsylvania. *See, e.g., New York 271 Order,* ¶¶ 158, 160; *Massachusetts 271 Order,* ¶¶ 71, 74.

B. BCN Timeliness

1. Verizon's billing completion notifier (BCN) timeliness performance in New Jersey is comparable to its performance in Pennsylvania as demonstrated in the OR-4-09 results. Attachment C provides the results of a special study of OR-4-09 "% SOP to BCN" measure using the 4-day standard used by the FCC in approving the Pennsylvania 271 application (*Pennsylvania 271 Order,* ¶ 44) for both states, in order to provide an apples-to-apples comparison. Verizon's BCN timeliness performance in Pennsylvania and New Jersey are comparable. Verizon exceeded the standard in both states for the months of July 2001 through December 2001.

2. MetTel makes the claim that "Verizon NJ's completion notices require twice as much time to arrive as in PA." (MetTel Ex Parte, Slide 6.) Verizon has answered this claim in the state proceeding (Verizon NJ

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Reply Declaration in Response to Metropolitan Telecommunications, ¶11, included in Document Appendix to Verizon's Ex Parte dated February 22, 2002 at Tab 6) and in its Application here. (*See* McLean/Wierzbicki/Webster Declaration, ¶ 90.) "Twice as long" is not a relevant measure – what matters is whether the notifiers are returned in a timely way. MetTel's own chart (MetTel Ex Parte, Slide 10) shows that, on average in New Jersey, it takes one day from work completion to get the PCN, and one day from billing completion to get the BCN. These are timely notifications.

3. MetTel also claims that "Verizon requires 31+ days to complete 95% of NJ BCNs after the work has been completed." (MetTel Ex Parte, Slide 6.) MetTel is wrong. Verizon conducted a special study of MetTel's BCNs using the most readily available data which are the months of November 2001, December 2001 and January 2002. Verizon used the measurement points of SOP-Completion to BCN, which are the same measurement points used in OR-4-09. Verizon determined that 95% of MetTel's BCNs were generated within 5 business days in November, 5 business days in December and 4 business days in January. The supporting detail is provided in Attachment D. The extra one day for MetTel over the CLEC-aggregate performance in November and December was attributable to the time required to clear post-completion discrepancies (PCDs) for 8 PONs in November and 9 PONs in December. *See* Attachment D. In short, Verizon provides BCNs on a timely basis.

4. In any event, MetTel is incorrect when it says that the lack of a BCN means end user usage is not properly accrued, the line loss report is not generated, and a carrier cannot engage in subsequent transactions. (MetTel Ex Parte, Slide 7.) End user usage begins to accrue based on provisioning completion (which is reflected on the PCN). Similarly, line loss is updated when the provisioning is completed (again reflected on the PCN). And carriers have the ability to submit service trouble tickets if there is a problem on an end user's line immediately after provisioning completion. For Verizon's OSS to process subsequent transactions to change products and services on an account, the billing system must be updated (as reflected in the BCN). This processing logic is the same for both retail and wholesale accounts, and is the same process in New Jersey as exists in New York, Connecticut, Massachusetts and Pennsylvania.

5. In addition, MetTel makes another theoretical claim that delayed BCN generation and transmittal results in double billing and inordinately high end user bills when delayed usage is transmitted. Double billing refers to a situation where both Verizon and a CLEC bill the end user. This situation is an exception, temporary and self-correcting. Double

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billing may occur if an order to migrate a customer from Verizon to a CLEC does not complete in Verizon's billing system prior to the end user's next bill period AND MetTel chooses to bill its end user prior to the receipt of the BCN, which signals to MetTel that Verizon has ceased billing the end user. As shown above, over 95% of BCNs are sent in 4 business days. Since the standard practice in the industry is to render end user bills on a monthly basis (i.e., once every 30 days), it is likely that the BCN is issued before the end user's next bill period, and the situation MetTel fears will not arise. Furthermore, if the update to the billing system is delayed, the amount of usage held is likely to be less than one month of usage. The Carrier-to-Carrier Metric BI-1-02, which measures timeliness of usage shows that ******** of MetTel's usage is delivered within 4 days, and ******* within 8 business days. Therefore, a very small percentage of usage is delivered "late," making instances of "inordinately high" end user bills that MetTel fears extremely rare.

II.   VERIZON PROVIDES ACCURATE NOTIFIERS.

A.   MetTel makes another overly broad and misleading assertion that "notifiers transmitted by Verizon certify the work requested has been completed, [but] analysis of expected results indicates this is not the case." (MetTel Ex Parte, Slide 11.) MetTel bases its assertion on an analysis of "expected results." MetTel has erroneously constructed an expectation that every end user migration will be followed by usage commencing the day after migration. MetTel's logic, however, is seriously flawed. Verizon has repeatedly demonstrated to MetTel hundreds of cases where having no usage or "delayed usage" after migration can be a valid circumstance.

B.   MetTel claims that in 19% of end user migrations, the usage from Verizon is at least three days late and in some cases never arrives which, according to MetTel, shows that the completion notifiers were inaccurate. (MetTel Ex Parte, Slide 12.) MetTel is wrong. There are several scenarios which could cause a usage delay or no usage on a line. The most obvious is that the end user did not make outbound calls from the line immediately following the migration. This is an entirely plausible scenario, for example, for an individual line within a multi-line account, or in the case of a business account that is migrated on a Friday. As Verizon explained in the New Jersey state proceeding (Verizon NJ Reply Declaration in Response to Metropolitan Telecommunications, ¶¶ 18-19, included in Document Appendix to Verizon's Ex Parte dated February 22, 2002 at Tab 6), the most common scenarios identified in its analysis of MetTel orders were migrations with no PIC change specified, winbacks to Verizon Retail, and migrations to another CLEC. As the information required to perform this detailed analysis is only readily available within

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30-45 days of the migration, Verizon evaluated MetTel's migration orders using the most current data available.

1. When MetTel raised the issue during the state proceeding in November 2001, Verizon undertook an analysis of MetTel's October 2001 migration orders. In reviewing MetTel's October orders, Verizon found that over ******** of the PONs listed by MetTel had either been won back to Verizon or had migrated to another CLEC. In those cases, MetTel would no longer receive usage. *See* McLean/Wierzbicki/Webster Reply Declaration, Attachment 5 (confidential portion contained in Confidential Appendix to Verizon's Reply Comments, Tab 10).

2. In addition, Verizon found that less than half requested that the PIC be changed to MetTel. MetTel should not expect to receive long distance usage if it is not listed as the PIC on the line. *See* McLean/Wierzbicki/Webster Reply Declaration, Attachment 6 (confidential portion contained in Confidential Appendix to Verizon's Reply Comments, Tab 11).

3. Verizon again looked at MetTel's recent platform migration order activity in New Jersey by reviewing MetTel's January 2002 platform migration orders from Verizon retail, consisting of ******** PONs. Verizon's analysis found that:
   - ******** indicated that usage began within 3 days of provisioning completion
   - ******** had first usage occurring after 3 days ("delayed usage")
   - ******** showed no usage

   Of the ******** PONs with delayed or no usage (Attachment H),
   - ******** requested no PIC change or a PIC other than MetTel's usual carrier
   - ******** did not belong to MetTel
   - ******** were additional lines on a multiple line business or residence account and likely not the primary line for outgoing calls
   - ******** had an incorrect PIC assigned after defective line equipment required ******** to be reprogrammed, and
   - ******** were "low usage" accounts (********)

4. Furthermore, Verizon has been working with MetTel on a business-to-business basis to investigate and resolve WCCC trouble tickets for which MetTel claims there is no usage on a particular line. MetTel has submitted trouble tickets with this issue in New York, Pennsylvania, and New Jersey. Verizon and MetTel

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began the investigation in New York. Of the ******** billing telephone numbers (BTNs) investigated thus far for which MetTel claimed there was no usage, ******** or 90% either did have usage on the DUF, were not MetTel's account, or MetTel agreed that no usage was appropriate. In less than 2% of the BTNs investigated (******* BTNs) either an ordering issue was identified or a trouble was found on the line. In the remaining cases, no usage was found and MetTel has agreed to contact the customer to ascertain if outbound calls are being made from the lines, and if so, the type of call and dates. An additional ******** BTNs are under investigation in New York. *See* Attachment E, which provides the investigation results.

MetTel and Verizon next moved to New Jersey. In New Jersey, Verizon has investigated ******** BTNs so far, and resolved over 98% with MetTel by either directing MetTel to the DUF where usage for the line exists, or by MetTel concluding that usage was not due. In only ******** instances (0.67%) did Verizon identify an ordering issue, and in another ******** instances, MetTel must contact the customer to obtain call logs to ascertain whether outbound calls are being made. Verizon continues to investigate another ******** BTNs at MetTel's request. *See* Attachment E.

C.   MetTel also claims that an examination of the DUF shows errors in provisioning the PIC on an end user's account. (MetTel Ex Parte, Slide 13.) Here again MetTel's methodology is flawed. MetTel "verifies the PIC change by examining Cat 11 (Carrier Access Usage) records to test that the terminating IXC is the selected one." *Id.* However, there are valid circumstances where Cat 11 records will have a carrier ID other than the "predesignated carrier" selected by MetTel and reflected on the BCN. These include:

- ❑ Calls to a Toll-Free Number (e.g., 800/888) – these calls generate originating category 11 records (type 110125) which contain the carrier ID of the number dialed;
- ❑ Casually Dialed Numbers (also known as dial-arounds such as 10-10-xxx) – these calls generate category 11 records (type 110101) that contain the carrier ID as specified by the dialer. These records are identified by a value of "2", "5", "6", or "7" in Indicator 21 on the usage record;
- ❑ Terminating Usage – terminating access records are recorded as category 11 records for UNE port and platform products. These records allow CLECs to recover access charges from carriers terminating usage on their ports. These records will contain the carrier ID associated with the line orginating the call. These records can be identified by a "2" in the Orginating/Terminating Indicator on the usage record.

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Verzion performed a number of analyses to demonstrate that MetTel's claims concerning erroneous PIC processing are wrong.

1. Verizon undertook a review of MetTel's January 2002 PONs, which found that 12.4% of MetTel's migration PONs did not request MetTel's usual carrier as the PIC. In addition, 76.8% of the MetTel category 11 usage records in January for the telephone numbers associated with these migration PONs properly contained carrier IDs other than the pre-subscribed carrier ID specified by MetTel, consistent with the reasons provided above (of ******** cat 11 records, ******** were toll-free, ******** were casually dialed, ******** were terminating usage). *See* Attachment F.

2. Verizon also reviewed network trouble tickets on MetTel lines in October 2001 and January 2002 and found less than 5 troubles reported in October and no troubles reported in January concerning the PIC on the line.

D. MetTel's claim that Verizon sends "false" provisioning completion notifiers is also incorrect. (*See* MetTel Ex Parte, Slide 11.) MetTel has received a small number of jeopardy notices after PCNs in New York. MetTel wrongly interpreted those jeopardy notices as a jeopardy to completing the provisioning, when it fact, they indicated a post-provisioning error detected when the billing system update was attempted. Almost all of these jeopardies resulted from conflicting orders sent by MetTel or the fact that the end user had switched to another CLEC before the SNP order from MetTel had been processed.

Verizon explained this process in a letter to MetTel in November 2001 and followed with a business-to-business meeting with MetTel in December 2001. In this meeting Verizon reviewed PONs MetTel had identified as jeopardies after PCNs and explained the processing steps involved. There were ******** "jep after PCN" PONs identified in New York from October 2000 through November 2001. During that period MetTel had submitted over ******** PONs, so the incidence of this situation was extremely low (0.049%). Verizon has reviewed its WCCC trouble ticket records for the period August 2001 to present and those records do not indicate that MetTel has specifically identified any "jep after PCN" PONs in New Jersey.

In the meeting described above, Verizon explained that the PCN does properly communicate the completion of provisioning work. The "jeopardy after provisioning" situation occurs in a very limited set of circumstances when Verizon receives and processes conflicting orders for the same end user from two CLECs or from a single CLEC. When the

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billing system identifies this conflict (after the provisioning has been completed), it will flag the subsequent order for manual resolution. Verizon will manually revoke the provisioning work that had been completed for the subsequent order processed and then notify the affected CLEC via a jeopardy notice.

The following example will illustrate this situation. MetTel submits an order to SNP an end user's service and requests a due date of Novermber 1. However, that end user had already contacted another CLEC (CLEC A) and CLEC A had submitted a migration order for that end user requesting a due date of October 31. The migration order from CLEC A will be processed before the suspension order from MetTel. Verizon's systems would complete the provisioning of the migration and send a PCN to CLEC A. The next step would be to update the billing records to assign this end user to CLEC A. If the November 1 SNP order from MetTel was processed by the SOP before the billing records were updated to reflect the migration to CLEC A, the SOP would still see MetTel as the owner of record and process the suspension. Verizon's systems would effect the suspension and send a PCN to MetTel. When the billing system received MetTel's order, it would recognize the conflict with CLEC A's order, and flag this for manual follow-up. A Verizon representative would then perform the appropriate actions to revoke MetTel's suspension order and would send a jeopardy notice to MetTel to advise them that the end user was no longer on their platform, so the order could not be completed.

Effective January 7, 2002 Verizon implemented a new code on the jeopardy notice for this circumstance. Verizon also conducted a Jeopardy Notice workshop with CLECs on January 24, 2002 to discuss this scenario and other topics and questions concerning jeopardy notices. Verizon believes this issue is closed with MetTel. On January 16, 2002 MetTel withdrew its request to the New York PSC for expedited dispute resolution on this topic.

III.   VERIZON PROVIDES TIMELY AND ACCURATE RESOLUTION FOR TROUBLE TICKETS CLAIMING MISSING OR DELAYED NOTIFIERS.

A.   Verizon implemented the PON Exception Trouble Ticket process for delayed or missing notifiers beginning in February 2000 in New York and extended it through out the former Bell Atlantic service areas in the summer of 2000. The process used today in New Jersey is the same process that was in place when the Commission found Verizon (Bell Atlantic) to have satisfied the performance objectives of the March 9, 2000 Consent Decree in June 2000. It is the same process that was in place when this Commission and the respective state commissions approved Verizon's 271 applications in Massachusetts, Connecticut, and Pennsylvania.

When a CLEC submits a "PON Exception" trouble ticket for a notifier it expected but believes it has not received, Verizon provides the CLEC with the status of each PON listed on the trouble ticket, and if the requested notifier or a later notifier has been generated, resends the notifier to the CLEC within 3 business days. When the status has been provided and the notifier, if it exists, has been resent, the ticket is considered <u>cleared</u>.

1. In some cases, the notifier the CLEC expects will never exist. For example, MetTel has submitted trouble tickets seeking confirmation notifiers on PONs that it cancelled. It has also submitted trouble tickets seeking confirmations for orders that were rejected ("NACKed" or negatively acknowledged) by the EDI interface and never submitted into Verizon's service order processor. *See* McLean/Wierzbicki/Webster Reply Declaration, Attachment 11 (confidential portion contained in Confidential Appendix to Verizon's Reply Comments, Tab 13).

B. If the status notifier that the CLEC is seeking has not been produced because the PON has not reached the stage in the business process that would produce that notifier, Verizon determines if corrective action is required, either by Verizon or the CLEC, to move the PON further in the business process and subsequently to produce the requested notifier. When Verizon is the party that must take the corrective action and Verizon has done so, Verizon considers the PON <u>resolved</u>. Similarly, if the CLEC must take the corrective action (for example, correcting an error on a PON which Verizon queried) and Verizon has communicated that to the CLEC, Verizon considers the PON <u>resolved</u>.

1. In 2001, Verizon resolved MetTel's PON Exception trouble tickets on average in four and one-half business days. This includes the three days to clear the PONs on the trouble ticket plus any additional investigation Verizon undertook to determine whether action is required by the CLEC or Verizon and communicate that with the CLEC or take the action as described above. *See* McLean/Wierzbicki/Webster Reply Declaration, Attachment 12 (confidential portion contained in Confidential Appendix to Verizon's Reply Comments, Tab 14). The New Jersey BPU found this performance to be satisfactory. Consultative Report of the New Jersey Board of Public Utilities, filed January 14, 2002, at 42.

2. Moreover, the need to undertake additional investigation affected only about two and one-half percent of MetTel's New Jersey PONs in 2001. *See* McLean/Wierzbicki/Webster Reply Declaration, Attachment 12 (confidential portion contained in Confidential Appendix to Verizon's Reply Comments, Tab 14).

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C.   Status notifiers and the PON exception process accurately provide the
      status of orders as they appear in Verizon's systems.

      1.   MetTel claims that in some cases, when it is seeking a completion
            notifier, the status provided by Verizon is "Confirmed," but when
            the completion notifier later arrives it shows a completion date
            before the date on which MetTel requested the completion notifier.
            (MetTel Ex Parte, Slides 18-19.) MetTel misunderstands the PON
            Exception process.

      2.   In order for a status to be reported to the CLEC, it must be
            recorded in Verizon's systems. This does not occur until SOP is
            updated for all the service orders associated with an LSR,
            separately for provisioning completion and again for billing
            completion. *See* McLean/Wierzbicki/Webster Declaration, ¶ 85.
            If, at the time MetTel submits a trouble ticket, the actual work has
            been completed but the SOP update process has not run, the status
            returned to MetTel will be the status currently recorded in the
            wholesale systems (in this case, "confirmed"). As noted above,
            Verizon then investigates to determine if action must be taken to
            produce the completion notifier MetTel is seeking. In a case such
            as this, the provisioning completion notifier would be produced
            after the SOP update process and would show the actual work
            completion date. As also noted above, the average time to resolve
            MetTel's PON exception trouble tickets (i.e., to produce the
            provisioning completion notifier in a case such as this) was about
            four and one-half days in 2001. (Verizon NJ Reply Declaration in
            Response to Metropolitan Telecommunications, ¶¶ 24-25, included
            in Document Appendix to Verizon's Ex Parte dated February 22,
            2002 at Tab 6)

D. MetTel makes another inaccurate statement when it claims that "Verizon
    required 39+ days to resolve 87% of MetTel trouble tickets" (meaning
    PON Exception trouble tickets). (MetTel Ex Parte, Slide 14.) This
    statement is misleading in several respects. MetTel is referring to the time
    to close a trouble ticket, not the time to resolve the individual PONs on a
    trouble ticket. As described above, the CLEC has the information it needs
    to understand the status of its customer's order when Verizon resolves the
    PON. A trouble ticket may contain one or hundreds of PONs. The ticket
    itself is not closed until the CLEC concurs that every PON on the trouble
    ticket is resolved. A single PON can keep a ticket from being closed, even
    if there are hundreds of PONs on the ticket and the CLEC agrees that all
    the others have been resolved. Furthermore, the CLEC determines when
    the ticket is closed and there is no "interval" established that sets a

"commercially reasonable" time for the CLEC to close the ticket after Verizon has resolved the PONs on the ticket.

Verizon's analysis of MetTel's New Jersey PON Exception trouble tickets from August 2001 to December 2001 indicates that Verizon resolves approximately 90% of PONs within 4 business days and 100% within 30 days, with the average time to resolve being approximately 4.5 business days as stated above. The second chart illustrates the phenomenon of a lag time to close tickets resulting from "the last" PON holding a ticket open and the time required to gain CLEC concurrence to close the ticket. *See* Attachment G.

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